

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 2553**

Chapter 87, Laws of 2002

57th Legislature  
2002 Regular Session

**CIGARETTE TAX CONTRACTS--ELIGIBLE TRIBES**

EFFECTIVE DATE: 6/13/02

Passed by the House February 15, 2002  
Yeas 98 Nays 0

FRANK CHOPP  
**Speaker of the House of  
Representatives**

Passed by the Senate March 5, 2002  
Yeas 48 Nays 0

BRAD OWEN  
**President of the Senate**

Approved March 21, 2002

GARY LOCKE  
**Governor of the State of Washington**

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 2553** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER  
**Chief Clerk**

FILED

March 21, 2002 - 2:53 p.m.

**Secretary of State  
State of Washington**

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HOUSE BILL 2553

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Passed Legislature - 2002 Regular Session

State of Washington                      57th Legislature                      2002 Regular Session

By Representatives Morris, Pflug, Dunshee, Clements, Conway, Chase, Rockefeller and Veloria

Read first time 01/21/2002. Referred to Committee on Finance.

1            AN ACT Relating to increasing the number of eligible tribes for  
2 cigarette tax contracts; and amending RCW 43.06.460.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 43.06.460 and 2001 2nd sp.s. c 21 s 1 are each amended  
5 to read as follows:

6            (1) The governor is authorized to enter into cigarette tax  
7 contracts with the Squaxin Island Tribe, the Nisqually Tribe, Tulalip  
8 Tribes, the Muckleshoot Indian Tribe, the Quinault Nation, the  
9 Jamestown S'Klallam Indian Tribe, the Port Gamble S'Klallam Tribe, the  
10 Stillaguamish Tribe, the Sauk-Suiattle Tribe, the Skokomish Indian  
11 Tribe, the Yakama Nation, the Suquamish Tribe, the Nooksack Indian  
12 Tribe, the Lummi Nation, the Chehalis Confederated Tribes, ((and)) the  
13 Upper Skagit Tribe, the Snoqualmie Tribe, and the Swinomish Tribe.  
14 Each contract adopted under this section shall provide that the tribal  
15 cigarette tax rate be one hundred percent of the state cigarette and  
16 state and local sales and use taxes within three years of enacting the  
17 tribal tax and shall be set no lower than eighty percent of the state  
18 cigarette and state and local sales and use taxes during the three-year  
19 phase-in period. The three-year phase-in period shall be shortened by

1 three months each quarter the number of cartons of nontribal  
2 manufactured cigarettes is at least ten percent or more than the  
3 quarterly average number of cartons of nontribal manufactured  
4 cigarettes from the six-month period preceding the imposition of the  
5 tribal tax under the contract. Sales at a retailer operation not in  
6 existence as of the date a tribal tax under this section is imposed are  
7 subject to the full rate of the tribal tax under the contract. The  
8 tribal cigarette tax is in lieu of the state cigarette and state and  
9 local sales and use taxes, as provided in RCW 43.06.455(3).

10 (2) A cigarette tax contract under this section is subject to RCW  
11 43.06.455.

Passed the House February 15, 2002.

Passed the Senate March 5, 2002.

Approved by the Governor March 21, 2002.

Filed in Office of Secretary of State March 21, 2002.